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2024 RES-048

**APPROVING THE PROPOSED SETTLEMENT OF OPIOID-RELATED CLAIMS
AGAINST KROGER CO.**

In 2018, Dane County (“County”) joined many other municipalities in Wisconsin in bringing suit against several manufacturers, distributors, wholesalers, and retailers responsible for the opioid epidemic. The County’s lawsuit was also joined with lawsuits from states and local governments across the country in what is called Multi-District Litigation administered by a Federal Judge in Cleveland, Ohio. Plaintiffs’ interests are represented by a National Consortium that includes the County’s retained counsel. In its complaint, the County sought the recovery of the financial resources previously expended and to be expended in the future to abate the consequences and harms of the opioid epidemic on the County’s residents.

In 2021 the National Consortium reached nationwide settlements with three pharmaceutical distributors, McKesson, Cardinal Health, and Amerisource Bergen, and one manufacturer, Janssen Pharmaceuticals, Inc., and its parent company Johnson & Johnson. In 2023 the National Consortium reached nationwide settlements with two manufacturers, Teva and Allergan, and three retail pharmacies, CVS, Walgreens and Walmart. The County Board approved County participation in those settlements and authorized the Office of Corporation Counsel to execute the appropriate settlement documents. Dane County began receiving funds from those settlements in 2022. A Nationwide settlement has now been reached to resolve claims by state and local governments against Kroeger Co. The Settlement requires Kroger Co. to pay approximately \$1.2 billion to be used by participating states and local governments to remediate and abate the impacts of the opioid crisis. The Settlement also contain injunctive relief governing opioid marketing, sale, distribution, and/or dispensing practices. Dependent upon participation by states and local governments, the Settlements requires Kroger Co. to pay up to \$1.2 billion over 11 years.

The County can participate in these settlements if it approves the Settlement Agreements. The settlement proceeds will be distributed in the manner approved for the previous settlements. The County Board has previously approved a Memorandum of Understanding with the Wisconsin Attorney General regarding the allocation of settlement proceeds. That agreement provides that 70 percent of the total proceeds to the State of Wisconsin will go to the litigating local governmental entities. The County’s share of the proceeds going to Wisconsin local governments is expected to be approximately 8.248 percent.

NOW, THEREFORE, BE IT RESOLVED that the nationwide settlement with Kroger Co. is hereby approved and that the Office of the Corporation Counsel and/or the County’s outside legal counsel are hereby authorized, to take such action as may be necessary to opt-in the settlements.